

SECOND REGULAR SESSION

# HOUSE BILL NO. 1905

## 96TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE RUZICKA.

6145L.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 260.302, 260.305, 260.310, 260.315, 260.320, 260.325, 260.330, 260.335, and 260.345, RSMo, and to enact in lieu thereof nine new sections relating to solid waste management.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 260.302, 260.305, 260.310, 260.315, 260.320, 260.325, 260.330, 260.335, and 260.345, RSMo, are repealed and nine new sections enacted in lieu thereof, to be known as sections 260.302, 260.305, 260.310, 260.315, 260.320, 260.325, 260.330, 260.335, and 260.345, to read as follows:

260.302. [On June 19, 1992, and] For three months [thereafter] **of calendar year 2014**, and for the last three **calendar** months of [the year 1994 and] every [third] year thereafter, the governing body of a county may apply to the department to request that the county be placed with another regional grouping [or, if necessary, in a new regional grouping]. After public notice and comment and within no more than ninety days after the completed application has been submitted, the department shall authorize any such change if the county clearly and convincingly demonstrates that the change is necessary for effective solid waste management within the county and will not negatively affect the solid waste management system of either region. The procedure for establishing solid waste management regions set forth in section 260.300 shall take priority over and be followed in exclusion to the rulemaking procedure set forth in chapter 536 and section 260.225.

260.305. 1. A solid waste management district may be created and incorporated in each solid waste management region as provided in sections 260.300 to 260.345 and may exercise the powers granted to it in sections 260.300 to 260.345. **A solid waste management district**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

4 **created and organized under authority of sections 260.300 to 260.345 shall become a body**  
5 **corporate and politic of the state.**

6 2. When a solid waste management district is organized it shall be a body corporate of  
7 the state and shall be known as "..... Solid Waste Management District".

8 3. A county [or two or more counties within a region] may [form or] join a district as  
9 provided herein. The governing body of any county, by adoption of an ordinance or order, may  
10 join [an existing] a district [or form a district if the county is located in a region which does not  
11 have an existing district. The governing body of any two or more counties within the same  
12 region may join together to form a district by adoption of an ordinance or order]. A city located  
13 in more than one county may join a district which encompasses any one of the counties within  
14 which it is located, regardless of whether the remaining counties containing the city join the  
15 district.

16 4. [A solid waste management district created and organized under authority of sections  
17 260.300 to 260.345 shall become a body corporate and politic of the state at the time] The  
18 governing body of [the] a county [or counties forming the district has] **shall provide to the**  
19 **department of natural resources a copy of an** adopted [an] order or ordinance to [form the]  
20 **join a** district under the provisions of this section and [has provided] **shall provide** written  
21 notice to the department of natural resources of the adoption of such order or ordinance. A  
22 county shall become a part of an existing district at the time the governing body of such county  
23 has adopted an order or ordinance to join the district and has provided written notice to the  
24 governing body of each county in the existing district and has provided written notice to the  
25 department of natural resources.

26 5. [If a county governing body does not form or join a district,] The question of [forming  
27 or] joining a district may be submitted to the voters of any county on any regular election day as  
28 provided in section 115.123. The question may be submitted or resubmitted to the voters of any  
29 county upon the submission of a petition signed by a number of voters which is at least equal to  
30 five percent of those voting in the most recent gubernatorial election. The question shall be  
31 submitted in substantially [either of] the following [forms] **form:**

32 Shall ..... (insert county name) become a member of the ..... (insert name) solid waste  
33 management district?; or if a solid waste management district has not been formed within the  
34 region:

35 Shall ..... (insert county name) form the ..... (insert name) solid waste management  
36 district? The election authority shall notify the secretary of state as to the results of the election.  
37 The secretary of state shall transmit the election results to the director of the department of  
38 natural resources who shall declare districts created within all counties of each region wherein

39 the question received a majority of the votes cast. The director's declaration shall be transmitted  
40 to the governing body of each county within the district].

260.310. 1. The authority of the district shall not extend to any county within the region  
2 which has not joined the district.

3 2. The district may enter into a contract with any city or county within the district to  
4 provide all or part of the solid waste management services for the city or county **with the**  
5 **exception of administrative and other district operations services which shall be bid and**  
6 **obtained.** A city or county shall not be required to meet the provisions of section 260.220 or of  
7 section 260.325 if a district includes the city or county within its solid waste plan and the city  
8 or county has by contract given the district complete authority for managing the solid waste of  
9 the city or county.

10 3. The district and the counties and cities within the district may enter into whatever  
11 contracts or agreements they deem necessary to fulfill their responsibilities under this chapter.  
12 Nothing in this section shall preclude the transfer of solid waste outside the boundaries of the  
13 district.

14 4. Contracts issued for the collection or disposal of solid waste in cities, counties, and  
15 districts shall not require either security instruments or performance bonds in excess of twenty  
16 percent of the total cost of the contract.

17 5. Any county or counties which are within a solid waste management district may, in  
18 cooperation with the district, require by ordinance or order that any solid waste transported from  
19 outside the district to a solid waste processing facility or solid waste disposal area within the  
20 district be subject to the same requirements as solid waste originating from within the district as  
21 set forth in the solid waste management plan under section 260.325, including the separation of  
22 recyclable or compostable materials from the solid waste stream before entering a district's solid  
23 waste management system.

24 6. A solid waste management district may be created and incorporated in each solid  
25 waste management region as provided in sections 260.200 to 260.345 and may exercise the  
26 powers granted to it in sections 260.200 to 260.345.

260.315. 1. There is hereby established a solid waste management council for each solid  
2 waste management district, except for those districts which formulate an alternative management  
3 structure pursuant to section 260.300. The governing body of each city with a population over  
4 five hundred within the district [shall] **may** appoint one member of the city governing body and  
5 the governing body of each county within the district [shall] **may** appoint two members of the  
6 county governing body to the council.

7           2. Council members shall serve a term of two years and may be reappointed thereafter;  
8 however, members whose elected term of office in a city or county has expired shall be  
9 expeditiously replaced by the governing bodies from whence they were selected.

10           3. The council shall meet within thirty days of [the] receipt of notification **from the**  
11 **department of natural resources** of formation of [the] a district at the call of the governing  
12 body of the county containing the largest population among those counties approving the  
13 formation of the district or, at the call of the director of the department, if the county does not  
14 call the meeting. A majority of the council shall constitute a quorum.

15           4. The council shall:

16           (1) Organize itself and select a chairman and such other officers as it deems appropriate;

17           (2) Select seven persons to serve on the executive board, at least a majority of whom  
18 shall be selected from members of the council. The council shall establish the terms of office  
19 for members of the executive board. The balance shall be selected in any manner approved by  
20 the council, including district-wide elections. Any subsequent member of the board shall be  
21 selected in the same manner as the person he replaces. If the council is composed of twelve or  
22 fewer members, the council shall act as the executive board;

23           (3) Meet at least [twice] **once** annually and upon the call of either the chairman of the  
24 council or the chairman of the executive board; and

25           (4) Review and act upon the solid waste management plan recommended by the  
26 executive board.

260.320. 1. The executive board shall meet within thirty days after the selection of the  
2 initial members. The time and place of the first meeting of the board shall be designated by the  
3 council. A majority of the members of the board shall constitute a quorum. At its first meeting  
4 the board shall elect a chairman from its members and select a secretary, treasurer and such  
5 officers [or employees] as it deems expedient or necessary for the accomplishment of its  
6 purposes. The secretary and treasurer need not be members of the board.

7           2. The executive board may adopt, alter or repeal its own bylaws, rules and regulations  
8 governing the manner in which its business may be transacted, including procedures for the  
9 replacement of persons who habitually fail to attend board meetings, and may establish its fiscal  
10 year, adopt an official seal, apply for and accept grants, gifts or appropriations from any public  
11 or private sector, make all expenditures which are incidental and necessary to carry out its  
12 purposes and powers, and take such action, enter into such agreements and exercise all other  
13 powers and functions necessary or appropriate to carry out the duties and purposes of sections  
14 260.200 to 260.345.

15           3. The executive board shall:

16 (1) Review and comment upon applications for permits submitted pursuant to section  
17 260.205, for solid waste processing facilities and solid waste disposal areas which are to be  
18 located within the region or, if located in an adjacent region, which will impact solid waste  
19 management practices within the region;

20 (2) Prepare and recommend to the council a solid waste management plan for the district;

21 (3) [Identify illegal dump sites and provide all available information about such sites to  
22 the appropriate county prosecutor and to the department;

23 (4)] Establish an education program to inform the public about responsible waste  
24 management practices;

25 [(5)] (4) Establish procedures to minimize the introduction of small quantities of  
26 hazardous waste, including household hazardous waste, into the solid waste stream;

27 [(6)] (5) Assure adequate capacity to manage waste which is not otherwise removed from  
28 the solid waste stream; [and]

29 [(7)] (6) Appoint one or more geographically balanced advisory committees composed  
30 of the representatives of commercial generators, representatives of the solid waste management  
31 industry, and two citizens unaffiliated with a solid waste facility or operation to assess and make  
32 recommendations on solid waste management;

33 (7) **Review, evaluate, and report to the department by October thirtieth of each**  
34 **year on the performance and effectiveness of the solid waste management district in**  
35 **meeting the needs of citizens for solid waste services in the region;**

36 (8) **Evaluate, rank, and accept as complete and eligible grant proposals to be**  
37 **submitted to the department of natural resources for approval of funding; and**

38 (9) **Meet at least quarterly, with all meetings being subject to sections 610.010 to**  
39 **610.030.**

40 4. The executive board may enter into contracts with any person for services related to  
41 any component of the solid waste management system **with the exception of district**  
42 **administrative services.** Bid specifications for solid waste management services shall be  
43 designed to meet the objectives of sections 260.200 to 260.345, encourage small businesses to  
44 engage and compete in the delivery of waste management services and to minimize the long-run  
45 cost of managing solid waste. Bid specifications shall enumerate the minimum components and  
46 minimum quantities of waste products which shall be recycled by the successful bidder. The  
47 board shall divide the district into units to maximize access for small businesses when it requests  
48 bids for solid waste management services.

49 5. No person shall serve as a member of the council or of the executive board who is a  
50 stockholder, officer, agent, attorney or employee or who is in any way pecuniarily interested in  
51 any business which engages in any aspect of solid waste management regulated under sections

52 260.200 to 260.345; provided, however, that such member may own stock in a publicly traded  
53 corporation which may be involved in waste management as long as such holdings are not  
54 substantial.

55 **6. No person shall participate in evaluating, ranking, and accepting as complete a**  
56 **grant proposal submitted by a business, institution, or government to which the member**  
57 **is affiliated.**

260.325. 1. The executive board of each district shall submit to the department a plan  
2 which has been approved by the council for a solid waste management system serving areas  
3 within its jurisdiction and shall, from time to time, submit officially adopted revisions of its plan  
4 as it deems necessary or the department may require. In developing the district's solid waste  
5 management plan, the board shall consider the model plan distributed to the board pursuant to  
6 section 260.225. Districts may contract with a licensed professional engineer or as provided in  
7 chapter 70 for the development and submission of a joint plan.

8 2. The board shall hold at least one public hearing in each county in the district when it  
9 prepares a proposed plan or substantial revisions to a plan in order to solicit public comments  
10 on the plan.

11 3. [The solid waste management plan shall be submitted to the department within  
12 eighteen months of the formation of the district. The plan shall be prepared and submitted  
13 according to the procedures specified in section 260.220 and this section.

14 4.] Each plan shall:

15 (1) Delineate areas within the district where solid waste management systems are in  
16 existence;

17 (2) Reasonably conform to the rules and regulations adopted by the department for  
18 implementation of sections 260.200 to 260.345;

19 (3) Delineate provisions for the collection of recyclable materials or collection points for  
20 recyclable materials;

21 (4) Delineate provisions for the collection of compostable materials or collection points  
22 for compostable materials;

23 (5) Delineate provisions for the separation of household waste and other small quantities  
24 of hazardous waste at the source or prior to disposal;

25 (6) Delineate provisions for the orderly extension of solid waste management services  
26 in a manner consistent with the needs of the district, including economic impact, and in a manner  
27 which will minimize degradation of the waters or air of the state, prevent public nuisances or  
28 health hazards, promote recycling **where environmentally and economically beneficial** and  
29 waste minimization and otherwise provide for the safe and sanitary management of solid waste;

30 (7) Take into consideration existing comprehensive plans, population trend projections,  
31 engineering and economics so as to delineate those portions of the district which may reasonably  
32 be expected to be served by a solid waste management system;

33 (8) Specify how the district will achieve [a reduction in solid waste placed in sanitary  
34 landfills through waste minimization, reduction and recycling] **an improvement in the**  
35 **environment;**

36 (9) [Establish a timetable, with milestones, for the reduction of solid waste placed in a  
37 landfill through waste minimization, reduction and recycling;

38 (10)] Establish an education program to inform the public about responsible waste  
39 management practices;

40 [(11)] **(10)** Establish procedures to minimize the introduction of small quantities of  
41 hazardous waste, including household hazardous waste, into the solid waste stream;

42 [(12)] Establish a time schedule and proposed method of financing for the development,  
43 construction and operation of the planned solid waste management system together with the  
44 estimated cost thereof;

45 (13)] **(11)** Identify methods by which rural households that are not served by a regular  
46 solid waste collection service may participate in waste reduction, recycling and resource recovery  
47 efforts within the district; and

48 [(14)] **(12)** Include such other reasonable information as the department shall require.

49 [5.] **4.** The board shall review the district's solid waste management plan at least every  
50 twenty-four months for the purpose of evaluating the district's progress in meeting the  
51 requirements and goals of the plan, and shall submit plan revisions to the department and  
52 council.

53 [6.] **5.** In the event any plan or part thereof is disapproved, the department shall furnish  
54 any and all reasons for such disapproval and shall offer assistance for correcting deficiencies.  
55 The executive board shall within sixty days revise and resubmit the plan for approval or request  
56 a hearing in accordance with section 260.235. Any plan submitted by a district shall stand  
57 approved one hundred twenty days after submission unless the department disapproves the plan  
58 or some provision thereof.

59 [7.] **6.** The director may institute appropriate action under section 260.240 to compel  
60 submission of plans in accordance with sections 260.200 to 260.345 and the rules and regulations  
61 adopted pursuant to sections 260.200 to 260.345.

62 [8.] **7.** The provisions of section 260.215 to the contrary notwithstanding, any county  
63 within a region which on or after January 1, 1995, is not a member of a district shall by June 30,  
64 1995, submit a solid waste management plan to the department of natural resources. Any county  
65 which withdraws from a district and all cities within the county with a population over five

66 hundred shall submit a solid waste plan or a revision to an existing plan to the department of  
67 natural resources within one hundred eighty days of its decision not to participate. The plan shall  
68 meet the requirements of section 260.220 and this section.

69 [9.] 8. Funds may, upon appropriation, be made available to cities, counties and districts,  
70 under section 260.335, for the purpose of implementing the requirements of this section.

71 [10.] 9. The district board shall arrange for independent financial audits of the records  
72 and accounts of its operations by a certified public accountant or a firm of certified public  
73 accountants. Districts receiving two hundred thousand dollars or more of financial assistance  
74 shall have annual independent financial audits and districts receiving less than two hundred  
75 thousand dollars of financial assistance shall have independent financial audits at least once  
76 every two years. The state auditor may examine the findings of such audits and may conduct  
77 audits of the districts. Subject to limitations caused by the availability resources, the department  
78 shall conduct a performance audit of grants to each district at least once every three years.

260.330. 1. Except as otherwise provided in subsection 6 of this section, effective  
2 October 1, 1990, each operator of a solid waste sanitary landfill shall collect a charge equal to  
3 one dollar and fifty cents per ton or its volumetric equivalent of solid waste accepted and each  
4 operator of the solid waste demolition landfill shall collect a charge equal to one dollar per ton  
5 or its volumetric equivalent of solid waste accepted. Each operator shall submit the charge, less  
6 collection costs, to the department of natural resources for deposit in the "Solid Waste  
7 Management Fund" which is hereby created. On October 1, 1992, and thereafter, the charge  
8 imposed herein shall be adjusted annually by the same percentage as the increase in the general  
9 price level as measured by the Consumer Price Index for All Urban Consumers for the United  
10 States, or its successor index, as defined and officially recorded by the United States Department  
11 of Labor or its successor agency. No annual adjustment shall be made to the charge imposed  
12 under this subsection [during] **after** October 1, 2005, [to October 1, 2014,] except an adjustment  
13 amount consistent with the need to fund the operating costs of the department and taking into  
14 account any annual percentage increase in the total of the volumetric equivalent of solid waste  
15 accepted in the prior year at solid waste sanitary landfills and demolition landfills and solid waste  
16 to be transported out of this state for disposal that is accepted at transfer stations. No annual  
17 increase [during] **after** October 1, 2005, [to October 1, 2014,] shall exceed the percentage  
18 increase measured by the Consumer Price Index for All Urban Consumers for the United States,  
19 or its successor index, as defined and officially recorded by the United States Department of  
20 Labor or its successor agency and calculated on the percentage of revenues dedicated under  
21 subdivision (1) of subsection 2 of section 260.335. Any such annual adjustment shall only be  
22 made at the discretion of the director, subject to appropriations. Collection costs shall be



23 established by the department and shall not exceed two percent of the amount collected pursuant  
24 to this section.

25         2. The department shall, by rule and regulation, provide for the method and manner of  
26 collection.

27         3. The charges established in this section shall be enumerated separately from the  
28 disposal fee charged by the landfill and may be passed through to persons who generated the  
29 solid waste. Moneys shall be transmitted to the department shall be no less than the amount  
30 collected less collection costs and in a form, manner and frequency as the department shall  
31 prescribe. The provisions of section 33.080 to the contrary notwithstanding, moneys in the  
32 account shall not lapse to general revenue at the end of each biennium. Failure to collect the  
33 charge does not relieve the operator from responsibility for transmitting an amount equal to the  
34 charge to the department.

35         4. The department may examine or audit financial records and landfill activity records  
36 and measure landfill usage to verify the collection and transmittal of the charges established in  
37 this section. The department may promulgate by rule and regulation procedures to ensure and  
38 to verify that the charges imposed herein are properly collected and transmitted to the  
39 department.

40         5. Effective October 1, 1990, any person who operates a transfer station in Missouri shall  
41 transmit a fee to the department for deposit in the solid waste management fund which is equal  
42 to one dollar and fifty cents per ton or its volumetric equivalent of solid waste accepted. Such  
43 fee shall be applicable to all solid waste to be transported out of the state for disposal. On  
44 October 1, 1992, and thereafter, the charge imposed herein shall be adjusted annually by the  
45 same percentage as the increase in the general price level as measured by the Consumer Price  
46 Index for All Urban Consumers for the United States, or its successor index, as defined and  
47 officially recorded by the United States Department of Labor or its successor agency. No annual  
48 adjustment shall be made to the charge imposed under this subsection [during] **after** October 1,  
49 2005, [to October 1, 2014,] except an adjustment amount consistent with the need to fund the  
50 operating costs of the department and taking into account any annual percentage increase in the  
51 total of the volumetric equivalent of solid waste accepted in the prior year at solid waste sanitary  
52 landfills and demolition landfills and solid waste to be transported out of this state for disposal  
53 that is accepted at transfer stations. No annual increase [during] **after** October 1, 2005[, to  
54 October 1, 2014,] shall exceed the percentage increase measured by the Consumer Price Index  
55 for All Urban Consumers for the United States, or its successor index, as defined and officially  
56 recorded by the United States Department of Labor or its successor agency and calculated on the  
57 percentage of revenues dedicated under subdivision (1) of subsection 2 of section 260.335. Any  
58 such annual adjustment shall only be made at the discretion of the director, subject to

59 appropriations. The department shall prescribe rules and regulations governing the transmittal  
60 of fees and verification of waste volumes transported out of state from transfer stations.  
61 Collection costs shall also be established by the department and shall not exceed two percent of  
62 the amount collected pursuant to this subsection. A transfer station with the sole function of  
63 separating materials for recycling or resource recovery activities shall not be subject to the fee  
64 imposed in this subsection.

65 6. Each political subdivision which owns an operational solid waste disposal area may  
66 designate, pursuant to this section, up to two free disposal days during each calendar year. On  
67 any such free disposal day, the political subdivision shall allow residents of the political  
68 subdivision to dispose of any solid waste which may be lawfully disposed of at such solid waste  
69 disposal area free of any charge, and such waste shall not be subject to any state fee pursuant to  
70 this section. Notice of any free disposal day shall be posted at the solid waste disposal area site  
71 and in at least one newspaper of general circulation in the political subdivision no later than  
72 fourteen days prior to the free disposal day.

260.335. 1. Each fiscal year eight hundred thousand dollars from the solid waste  
2 management fund shall be made available, upon appropriation, to the department **of natural**  
3 **resources to fund activities that promote the processing of recovered materials so that**  
4 **useful materials may be used to develop remanufacturing capacity in Missouri. The**  
5 **department shall establish a joint interagency agreement with the department of economic**  
6 **development** and the environmental improvement and energy resources authority to [fund  
7 activities that promote the development and maintenance of markets for recovered materials.  
8 Each fiscal year up to two hundred thousand dollars from the solid waste management fund be  
9 used by the department upon appropriation for grants to solid waste management districts for  
10 district grants and district operations. Only those solid waste management districts that are  
11 allocated fewer funds under subsection 2 of this section than if revenues had been allocated  
12 based on the criteria in effect in this section on August 27, 2004, are eligible for these grants.  
13 An eligible district shall receive a proportionate share of these grants based on that district's share  
14 of the total reduction in funds for eligible districts calculated by comparing the amount of funds  
15 allocated under subsection 2 of this section with the amount of funds that would have been  
16 allocated using the criteria in effect in this section on August 27, 2004. The department and the  
17 authority shall establish a joint interagency agreement with the department of economic  
18 development to] identify state priorities for market development and to develop the criteria to  
19 be used to judge proposed projects. Additional moneys may be appropriated in subsequent fiscal  
20 years if requested. The [authority] **department** shall establish a procedure to measure the  
21 effectiveness of the [grant] program under this subsection and **beginning January 15, 2014, and**

22 **each year thereafter** shall provide a report to the governor and general assembly by January  
23 fifteenth of each year regarding the effectiveness of the program.

24 2. All remaining revenues deposited into the fund each fiscal year after moneys have  
25 been made available under subsection 1 of this section shall be allocated as follows:

26 (1) Thirty-nine percent of the revenues shall be dedicated, upon appropriation, to the  
27 elimination of illegal solid waste disposal, to identify and prosecute persons disposing of solid  
28 waste illegally, to conduct solid waste permitting activities, to administer grants and perform  
29 other duties imposed in sections 260.200 to 260.345 and section 260.432. In addition to the  
30 thirty-nine percent of the revenues, the department may receive any annual increase in the charge  
31 during October 1, 2005, to October 1, 2014, under section 260.330 and such increases shall be  
32 used solely to fund the operating costs of the department;

33 (2) [Sixty-one] **Fifty-one** percent of the revenues, except any annual increases in the  
34 charge under section 260.330 [during] **after** October 1, 2005, [to October 1, 2014,] which shall  
35 be used solely to fund the operating costs of the department, shall be allocated through grants,  
36 upon appropriation, to participating cities, counties, and districts. Revenues to be allocated  
37 under this subdivision shall be divided as follows: forty percent shall be allocated based on the  
38 population of each district in the latest decennial census, and sixty percent shall be allocated  
39 based on the amount of revenue generated within each district. For the purposes of this  
40 subdivision, revenue generated within each district shall be determined from the previous year's  
41 data. No more than [fifty] **thirty** percent of the revenue allocable under this subdivision may be  
42 allocated to the districts upon approval of the department for implementation of a solid waste  
43 management plan and district operations, and at least fifty percent of the revenue allocable to the  
44 districts under this subdivision shall be allocated to the cities and counties of the district or to  
45 persons or entities providing solid waste management, waste reduction, recycling and related  
46 services in these cities and counties. Each district shall receive a minimum of seventy-five  
47 thousand dollars under this subdivision. After August 28, 2005, each district shall receive a  
48 minimum of ninety-five thousand dollars under this subdivision for district grants and district  
49 operations. Each district receiving moneys under this subdivision shall expend such moneys  
50 pursuant to a solid waste management plan required under section 260.325, and only in the case  
51 that the district is in compliance with planning requirements established by the department.  
52 Moneys shall be awarded based upon grant applications. Any moneys remaining in any fiscal  
53 year due to insufficient or inadequate applications may be reallocated pursuant to this  
54 subdivision;

55 [(3) Except for the amount up to one-fourth of the department's previous fiscal year  
56 expense, any remaining unencumbered funds generated under subdivision (1) of this subsection  
57 in prior fiscal years shall be reallocated under this section;

58 (4) Funds may be made available under this subsection for the administration and grants  
59 of the used motor oil program described in section 260.253;

60 (5) The department and the environmental improvement and energy resources authority  
61 shall conduct sample audits of grants provided under this subsection.]

62 **(3) Ten percent of the revenues, except any annual increases in the charge under**  
63 **section 260.330 after October 1, 2005, shall be allocated to fund the cleanup of closed**  
64 **abandoned disposal sites, illegal disposal sites, or closed or abandoned recovery sites,**  
65 **including sites used for composting. The department may recover from this allocation the**  
66 **full cost of administering the cleanup of the sites not to exceed thirty percent of the**  
67 **allocation. The remaining funds shall be awarded through grants, upon appropriation to**  
68 **participating contractors, cities, counties, and districts;**

69 **(4) The department shall conduct sample audits of grants provided under this**  
70 **subsection.**

71 3. The advisory board created in section 260.345 shall recommend criteria to be used to  
72 allocate grant moneys to districts, cities and counties. These criteria shall establish a priority for  
73 proposals which provide methods of solid waste reduction and [recycling] **environmental**  
74 **benefit.** The department shall promulgate criteria for evaluating grants by rule and regulation.  
75 Projects of cities and counties located within a district which are funded by grants under this  
76 section shall conform to the district solid waste management plan.

77 4. The funds awarded to the districts, counties and cities pursuant to this section shall  
78 be used for the purposes set forth in sections 260.300 to 260.345, and shall be used in addition  
79 to existing funds appropriated by counties and cities for solid waste management and shall not  
80 supplant county or city appropriated funds.

81 5. The department, in conjunction with the solid waste advisory board, shall review the  
82 performance of all grant recipients to ensure that grant moneys were appropriately and effectively  
83 expended to further the purposes of the grant, as expressed in the recipient's grant application.  
84 The grant application shall contain specific goals and implementation dates, and grant recipients  
85 shall be contractually obligated to fulfill same. The department may require the recipient to  
86 submit periodic reports and such other data as are necessary, both during the grant period and  
87 up to five years thereafter, to ensure compliance with this section. The department may audit the  
88 records of any recipient to ensure compliance with this section. Recipients of grants under  
89 sections 260.300 to 260.345 shall maintain such records as required by the department. If a grant  
90 recipient fails to maintain records or submit reports as required herein, refuses the department  
91 access to the records, or fails to meet the department's performance standards, the department  
92 may withhold subsequent grant payments, if any, and may compel the repayment of funds  
93 provided to the recipient pursuant to a grant.

94           6. The department shall provide for a security interest in any machinery or equipment  
95 purchased through grant moneys distributed pursuant to this section.

96           7. If the moneys are not transmitted to the department within the time frame established  
97 by the rule promulgated, interest shall be imposed on the moneys due the department at the rate  
98 of ten percent per annum from the prescribed due date until payment is actually made. These  
99 interest amounts shall be deposited to the credit of the solid waste management fund.

          260.345. **1.** A state "Solid Waste Advisory Board" is created within the department of  
2 natural resources **and shall be composed of one member of each solid waste management**  
3 **district and such other members as are defined in this section.** [The advisory board] **All**  
4 **members of the board shall be representative of the general interest of the public or of solid**  
5 **waste systems. Members** shall be composed of the chairman of the executive board of each [of  
6 the] solid waste management [districts and other members as provided in this section. Up to  
7 five] **district. Six** additional members shall be appointed by the director of which two members  
8 shall represent the solid waste management industry and have an economic interest in or activity  
9 with any solid waste facility or operation, **one member shall represent the power generation**  
10 **industry and have an economic interest in or activity with any mono-fill facility or**  
11 **operation,** one member may represent the solid waste composting [or recycling] **business, one**  
12 **member may represent the reduction or recovery** industry businesses, and the remaining  
13 [members] **member shall be a public [members] member who [have] has** demonstrated interest  
14 in solid waste management issues and shall have no economic interest in or activity with any  
15 solid waste facility or operation but may own stock in a publicly traded corporation which may  
16 be involved in waste management as long as such holdings are not substantial.

17           **2. At the first meeting of the board, and at yearly intervals thereafter, the members**  
18 **shall select from among themselves a chairperson and a vice chairperson. The board shall**  
19 **hold at least four regular meetings each year and such additional regular meetings as the**  
20 **chairperson deems desirable. Special meetings may be called by the chairperson or by the**  
21 **director of the solid waste management program of the department of natural resources.**  
22 **Six members shall constitute a quorum.**

23           **3.** The advisory board shall advise the department regarding:

24           (1) The efficacy of its technical assistance program;

25           (2) Solid waste management problems experienced by **the public or** solid waste  
26 management districts **or by members of the solid waste management industry;**

27           (3) The effects of proposed rules and regulations upon solid waste management within  
28 the [districts] **state;**

29           (4) Criteria to be used in awarding grants pursuant to section 260.335;

30           (5) Waste management issues pertinent to the districts;

- 31           (6) The development of improved methods of solid waste minimization[, recycling and  
32 resource recovery] **which produce an environmental and economic benefit to Missouri; [and]**  
33           (7) **Effectiveness of the solid waste management districts in meeting the needs for**  
34 **solid waste management within each district's planning and service area; and**  
35           (8) Such other matters as the advisory board may determine.

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